



DEFENSE FINANCE AND ACCOUNTING SERVICE
ARLINGTON
1851 SOUTH BELL STREET
ARLINGTON, VA 22240-5291

DEC 22 2004

DFAS-DO

MEMORANDUM FOR DIRECTOR, MILITARY PAY OPERATIONS, DEFENSE
FINANCE AND ACCOUNTING SERVICE (PM/CL)

SUBJECT: Interim Change to the DoDFMR, Volume 7A, Regarding Basic Allowance for
Housing Type II and Basic Allowance for Housing Difference Increases (DFAS
Item N-32)

The attached is Interim Change 37-04 to Chapter 26 of the Defense Financial
Management Regulation (DoDFMR), Volume 7A, that is effective January 1, 2005. This change
incorporates the new Basic Allowance for Housing (BAH) II and the BAH Differential rates.

This is a routine change and the result of directed action that does not affect existing
policies. A draft of this change was not provided for comment. Assignment of the interim
change number is your authority to initiate a procedural modification to implement this change.
Use the attached to initiate the formal change to the DoDFMR, Volume 7A.

Lydia Moschkin
Director, Policy and
Requirements

Attachment:
As stated

cc:
DASD(MPP)(Comp)
DFAS-GAM/DE
DFAS-PMJE/DE
DFAS-DDM/CL
ODGC(F)
OUSD(C)(ODCFO)(FP)
Service Liaisons
USCG/NOAA/PHS Liaisons

**MONTHLY RATES OF BAH-II, BAH-DIFF AND PARTIAL BAH —EFFECTIVE
JANUARY 1, 2005**

Pay Grade	BAH-II (Without Dependent)	BAH-II (With Dependent)	BAH Differential	Partial BAH
O-10	1,096.80	1,349.70	269.10	50.70
O-9	1,096.80	1,349.70	269.10	50.70
O-8	1,096.80	1,349.70	269.10	50.70
O-7	1,096.80	1,349.70	269.10	50.70
O-6	1,006.20	1,215.00	222.90	39.60
O-5	968.70	1,171.20	215.40	33.00
O-4	897.60	1032.30	143.10	26.70
O-3	719.70	854.10	142.80	22.20
O-2	570.60	729.00	168.60	17.70
O-1	480.90	652.50	182.70	13.20
O-3E	777.00	918.00	150.30	22.20
O-2E	660.30	828.30	179.40	17.70
O-1E	568.20	765.60	210.30	13.20
W-5	912.00	996.90	89.40	25.20
W-4	810.00	913.50	110.10	25.20
W-3	681.00	837.60	166.50	20.70
W-2	604.20	769.80	175.80	15.90
W-1	506.40	666.00	170.10	13.80
E-9	665.10	876.90	225.00	18.60
E-8	610.80	808.80	210.60	15.30
E-7	521.40	750.60	244.20	12.00
E-6	471.90	693.60	235.80	9.90
E-5	435.30	624.00	200.40	8.70
E-4	378.60	542.10	173.70	8.10
E-3	371.40	504.60	141.90	7.80
E-2	301.80	480.90	190.20	7.20
E-1	269.40	480.90	225.00	6.90

**Table 26-12. Monthly Rates of BAH-II, BAH-DIFF and Partial BAH—Effective
January 1, 2005**